



DEPARTMENT OF STATE
ACTION MEMORANDUM
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September 27, 1975

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To: The Secretary
Through: P - Mr. Sisco
OFFICE OF THE ASST. SECRETARY -- AF

From: AF - Nathaniel Davis
The Future of Kagnew Station

The Problem

The Eritrean insurgent movement attacked an isolated component of our Naval Communications Station at Kagnew in Asmara on September 12 and has demanded that the station be closed down as a condition for the release of four captured Americans. Ethiopia's Provisional Military Government (PMG) desires an agreement with us within the next twelve months on a date for closure of the station. The Joint Chiefs of Staff maintain that there is a continuing operational requirement for a permanent communications facility in Ethiopia or a neighboring country. We must decide how best to react in this situation, bearing in mind the safety of Americans in Asmara, our policy not to accede, or even appear to accede, to kidnappers' demands, the needs of our military, our relations with the PMG, and our overall interests in the region.

Background/Analysis

The first armed attack against an American installation in Eritrea occurred Friday, September 12, when rebel forces overran an isolated component of Kagnew Station. Two Americans were abducted, bringing to four the number of Kagnew personnel whom the Eritrean insurgents now hold; two Americans had been kidnapped on July 14 and two had been killed on August 23 by a land mine explosion. Subsequent insurgent statements in Beirut and an apparently authentic demands message, delivered after a month's delay by an intermediary to a Navy contractor in Eritrea, have

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made known certain sweeping conditions for the release of all four men, including the closing down of Kagnew, compensation for military damage in Eritrea, the cessation of U.S. military assistance to the PMG, and US pressure on the PMG to free Eritrean prisoners.

The Ethiopian Foreign Minister has informed us that the PMG wishes to discuss with us a date for the closure of Kagnew, and would like to reach an agreement with us on this subject within the next twelve months. He did not mention any desired timing for the final closure but we have been receiving strong indications that the PMG will want this to occur well before May 23, 1979, the earliest date on which the PMG can legally and unilaterally evict us according to the relevant executive agreement.

With neither side in the Eritrean civil conflict wishing us to remain, our position at Kagnew has become tenuous and consideration must be given to whether and how long it is worthwhile to try to remain under these new circumstances. The Joint Chiefs of Staff determined on September 17 that the use of this facility by the Navy was still desirable and they favor its continued operation if adequate protection can be provided by the PMG. To improve security and facilitate protection they propose to abandon the attacked component, which was extremely vulnerable, and to consolidate all functions on the two station sites located within Asmara city, which have been and will continue to be protected by PMG forces. The Department of Defense also favors an intensive search for an alternate location, either inside or outside Ethiopia, from which to carry out the functions now performed by the station, which now consist only of naval and other USG communications.

The political importance of Kagnew as a symbol of our close relations with Ethiopia has decreased considerably since the overthrow of the Emperor, the decision to phase the station down in 1973 from over

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1,500 employees to the present 40, and the increased regional security problem which confines our Consulate General staff to Asmara itself. Whereas at one time the Ethiopians looked upon the presence of this facility as insurance of continued U.S. military assistance, the drastic phase down and occasional speculation about eventual final closure have reduced this insurance value in Ethiopian eyes. Closure could therefore probably be effected in such a way as to have a minimal impact on U.S./Ethiopian relations.

This would be so particularly if the PMG believed that the closure would not affect U.S. decisions on military assistance. The PMG could be given to understand that the future of such aid would continue to rest on the reciprocal basis of mutual interests and mutual benefits. Our interest in access to Ethiopia, denial of this area to unfriendly powers, and the maintenance of stability in this strategically important location would argue for continuation of our military assistance to Ethiopia, unless the PMG were to take serious action against our interests, such as termination of overflight rights and naval visits or non-compensation for recently nationalized American property. We would hope through continued military assistance to build up a cooperative relationship with this young government. Tactically, however, since it is the PMG that has raised the subject of our departure, it would probably be better not to volunteer any assurances on this subject too soon or too categorically, as doing so might encourage the PMG to press for an earlier departure from Kagnew than we would want.

On the other hand, attempts to maintain the station beyond the date on which the PMG would like us to close could adversely affect our relations with the PMG. Further insurgent actions against the station would continue to attract publicity to this unwanted U.S. base on Ethiopian soil, seriously irritating the young PMG leaders who are anxious to improve their non-aligned credentials. Added irritants would be the required constant dealings with the PMG about

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protection for the station, which could become even more exacerbating if more Americans are captured or killed. Protecting the station with armed Americans would substitute one irritant for another by making the presence of this foreign facility all the more obvious and contentious.

The political repercussions of the USG decision on Kagnew could be greater outside Ethiopia than within it. Abandonment or retention of the facility could be read as an indication of U.S. firmness or lack of it under pressure, and could have consequences for other U.S. facilities throughout the world. Any US action on Kagnew prior to, or soon after, the safe release of the four captured Americans will also be looked at as an indication of our firmness or lack of it in resisting the demands of kidnappers.

The manner in which we implement our Kagnew decision will therefore importantly affect the consequences of that decision. It would therefore probably be wise to delay initiation of talks with the PMG and/or our departure as long as possible in order to minimize the adverse effects. However, it is doubtful that any U.S. decision would long remain unknown and it is assumed in evaluating the options below that U.S. intentions would soon become public knowledge.

The Options

1. Stay on at Kagnew as long as we can safely do so and our presence there does not constitute a major irritant to the PMG. This would mean putting off negotiations on a closure date as long as we properly can and, when such negotiations are forced on us by the PMG, set the closure date as late as is acceptable to the PMG. In the meanwhile we would make an intensive search for an alternate site.

Pros

- This would maintain our communications capabilities in the area without antagonizing the PMG.
- An orderly departure in this manner, following agreement with the PMG, would

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make more plausible the explanation that this action had long been contemplated, that it was taken in concert with the PMG and in the context of our worldwide needs, that the security of our installations was only one of several factors in our decision, and that it was in no way a concession to the kidnappers' demands.

- It would also delay closure and allow time to find an alternate site.

Cons

- If the discussions looking to closure of Kagnev at a negotiated date became known, as they probably would, they would still be interpreted, to an unpredictable extent, as a U.S. pullout under pressure and a concession to the kidnappers. The latter risk would be reduced the longer initiation of the discussions could be deferred.

2. Decide and inform the PMG that we will close down Kagnev Station within ninety (90) days to a year, and publicly announce this decision.

Pros

- This might better insure the safety of the remaining personnel at Kagnev and of the detainees and might speed up the release of the latter.

Cons

- It would probably be seen in Ethiopia and abroad as a precipitate pullout in the face of PMG and insurgent pressure and as a concession to the kidnappers; the insurgents might be encouraged to insist on their other demands.
- It would be interpreted as a sign of U.S. unreliability, even by the Ethiopians.

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- It is unlikely that diplomatic initiatives and establishment of alternative facilities could be accomplished in time to prevent degradation of essential military communications.

3. Stay on indefinitely at Kagnev, despite PMG wishes, for as long as we find the station useful or until legally evicted, providing our own security forces if necessary.

Pros

- This would demonstrate our firmness in not yielding to threats, violence, or kidnappers' demands.
- It would maintain required USG communications in the area.
- We would serve notice on the Ethiopians that they must live up to their treaty obligations and to their responsibilities regarding the security of foreigners in their midst.

Cons

- It would greatly antagonize the PMG, as well as other countries in Africa and elsewhere.
- It would endanger the lives of the Americans in Eritrea and those in the hands of the insurgents.

Bureau Views

AF and PM favor Option 1. DOD favors Option 1 provided the date agreed upon allows for the completion of diplomatic initiatives and establishment of and alternate permanent site.

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Recommendation

That we put off confidential discussions with the PMG on the closure of Kagnev as long as we properly can, but agree to hold them if the PMG insists and when further delay becomes counterproductive; delay initiation of the discussions as long as we can; in the course of these discussions set the closing date as late as is acceptable to the PMG; remain at Kagnev up to the agreed closing date or as long as the PMG provides adequate protection; and in the meanwhile undertake an intensive search for an alternative site (Option 1).

Approve _____ Disapprove _____

ALTERNATIVELY, that we unilaterally close down the station at an early date.

Approve _____ Disapprove _____

OR, that we decide to stay indefinitely at Kagnev or until legally evicted.

Approve _____ Disapprove _____

Drafted: AF/E:RSBarrett:nb
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